

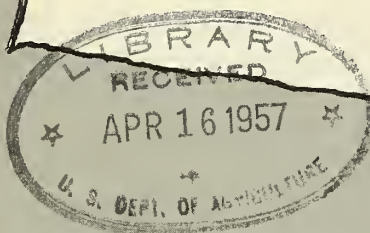
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THE SOIL BANK PROGRAM

for
1957



How it operates
How it will help farmers



U. S. DEPARTMENT OF AGRICULTURE
Office of Information

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Revised February 1957

THE SOIL BANK PROGRAM FOR 1957

How it operates

How it will help farmers

Widespread participation in the Soil Bank during the 1957 crop year and in later years will help promote stability in American agriculture. Through this new program, farmers can make needed adjustments in production while maintaining their incomes. They will receive substantial aid in solving the surplus problem, one of the most serious facing American agriculture today.

The Soil Bank is administered to reduce farm production and maintain net farm income, the objective for which it was enacted into law. The 1957 crop year is the first full year of operation.

Need for Production Adjustment

In spite of forceful programs to move them to consumers at home and abroad, holdings of surplus farm products grew so large they depressed farm prices and threatened orderly marketing of food and fiber. Surplus commodities have been sold whenever practical, donated to needy people in the United States, and donated, bartered, and sold in foreign countries. U. S. farm exports (quantity) in fiscal year 1955-56 were 17 percent above those of the previous year.

Yet surpluses of basic farm commodities stay at high levels. On November 30, 1956, the Commodity Credit Corporation held more than 8 billion dollars' worth of commodities in inventory or under loan. Storage costs for the inventory holdings are close to a million dollars a day.

Farm surpluses strike directly at the welfare of all farmers. They depress prices and thus reduce net farm income. They force severe reductions in acreage allotments. Much land taken out of basic production has been diverted to other crops, especially feed grains, in competition with the products of other farmers. The surplus affects every farmer and rancher, no matter what he produces.

What the Soil Bank Will Accomplish

The Soil Bank is a major national effort to reduce the flow of surplus commodities into Government and non-Government storage. As the program operates to keep excessive stocks out of storage, new and strengthened efforts to dispose of surplus commodities will help lower Government holdings to manageable and realistic levels.

The second objective of the program, increased on-the-farm conservation, is also very important to the welfare of the Nation. The Soil Bank will promote a whole new pattern of conservation work leading to better farms, better use of natural resources, and the building up of seriously eroded land.

The Soil Bank has two parts -- an Acreage Reserve and a Conservation Reserve.

A temporary program to reduce production of "basic" crops, the Acreage Reserve will strengthen the economic position for farmers in four ways:

- Payments to replace net income farmers would have earned from average production on acres put in the reserve.
- New stability for farmers' markets through a working program to bring surpluses under control. Concern that farm surpluses will continue to grow has depressed prices in the past.
- Protection against crop failure. Farmers who put land in the Acreage Reserve will receive payments based on normal yields from these acres even though drought or some other natural disaster lowers production on other land.
- Increased future productive capacity for land removed from production. No crops except those that conserve the soil may be grown. Weed and erosion control will be practiced.

The 1957 Acreage Reserve programs are for wheat, upland cotton, corn, tobacco, and rice.

Peanuts and extra long staple cotton, which are not now in surplus, are not included in the 1957 Acreage Reserve program.

The second part of the Soil Bank, the Conservation Reserve, is a long-range program, open to all farmers regardless of the crops they grow. It will give new force and permanence to soil, water, forest, and wildlife protection work.

Through the Conservation Reserve farmers can receive substantial aid and compensation while they protect the agricultural resources of the Nation. Instead of depleting soil and water resources on their farms in the production of surplus commodities, farmers will be conserving those resources for a larger future population that will need increased supplies of food, fiber, and timber.

Established Agencies Administer Program

The Soil Bank involves many regular State and Federal agencies that have wide responsibilities in American agriculture for price support, soil, water, forest, and wildlife conservation, and education. Working in cooperation, the agencies now are responsible for operating the Soil Bank.

In administering the program, the Secretary of Agriculture uses services and skills of the following agencies:

Community, county, and State Agricultural Stabilization and Conservation (ASC) committees carry the program to farm operators in their areas. County committees receive regulations and instructions from the Department of Agriculture, explain the program to farmers, sign contracts and agreements, check compliance, and make payments to farmers.

The Commodity Credit Corporation and the Commodity Stabilization Service, agencies of the Department of Agriculture, have general responsibility for administering funds used in the program. A new Soil Bank division was set up in CSS in June 1956. This division develops regulations and instructions and administers the program.

The Agricultural Conservation Program Service formulates conservation practices to be applied on land placed in the Conservation Reserve and will review their effectiveness.

Technical resources of the Soil Conservation Service, the Forest Service, the Fish and Wildlife Service, and the various State agricultural and forestry agencies are used in the program.

The Federal Extension Service, working through State and Federal agencies, supplies general information on the Soil Bank to all farmers.

Regular Farm Programs Continue

The Soil Bank is an addition to regular agricultural programs. It will strengthen them and promote the total accomplishment of national goals in agriculture. Price support programs, acreage allotments, and marketing quotas are still in effect, with their administration closely tied to the Soil Bank. The Agricultural Conservation Program will continue to include regular conservation activities outside the Soil Bank. The Soil Conservation Service continues its work with soil conservation districts and watershed protection projects.

The rest of this booklet deals with general provisions of the Soil Bank and with both the Acreage Reserve and the Conservation Reserve programs for 1957. It also describes farmers' benefits and responsibilities.

GENERAL PROVISIONS

Some general provisions apply to both the Acreage Reserve and the Conservation Reserve. These are designed to protect the interest of participating farmers, to protect the public interest, and to achieve the objectives of the Soil Bank.

Land Held Out of Production

Farmers who place land in either the Acreage Reserve or the Conservation Reserve agree to keep this land out of crop production for the duration of their agreements or contracts.

The land cannot be grazed except by special authorization because of drought or other emergency.

Timber may be cut from Conservation Reserve land under good forest management practice. Christmas trees and ornamentals cannot be harvested.

Wildlife may be "harvested" from Soil Bank land. Farmers can sell hunting or fishing rights on this land.

Farmers may establish approved ACP cost-sharing conservation practices on land while it is in the Soil Bank and out of production. A farmer may not receive cost-sharing payments from both the Soil Bank and the ACP for the same practice on the same land.

Each Soil Bank Tract Designated

When a farmer signs a Soil Bank agreement or contract with his County ASC Committee, he designates each tract of land on his farm that he places in the program. For example, a farmer might identify a tract of land to be placed in the program as "the northeast corner of field 7 as staked."

Farmers may take part in both the Acreage Reserve and the Conservation Reserve. However, the same land may not be placed in both programs the same year. Land in the Acreage Reserve becomes eligible for the Conservation Reserve at the end of the 1-year Acreage Reserve agreement.

Acreage Allotments Protected

Historical acreage allotments of farmers taking part in the Soil Bank will be protected.

The part of a farm acreage allotment put in the Acreage Reserve will be classed as land used to produce the crop for which the allotment was established. Thus, future allotments for a farm, a county, or a State will not be reduced because land was put in the Acreage Reserve.

As an illustration, a farmer with a wheat allotment of 75 acres places 25 in the Acreage Reserve and produces wheat on only 50 acres. He will be considered as having 75 acres of wheat when future wheat allotments are established for his farm.

If any acreage of allotment crops is diverted into the Conservation Reserve, the acreage allotment history will be protected during the contract period.

Comply With All Allotments

Farmers who participate in the Soil Bank must comply with all their acreage allotments. If a farmer exceeds any allotment established for his farm, he is ineligible for any Soil Bank payment.

Any farmer, however, may harvest up to 15 acres of wheat and up to 1 acre of peanuts without being ineligible for the Conservation Reserve or for the Acreage Reserve on other allotment crops.

Tenants and Sharecroppers Protected

The Soil Bank Law specifically provides for the protection of the interests of tenants and sharecroppers.

Because local customs concerning tenant-landlord and sharecropper-landlord relationships vary widely, farmers who have tenants or sharecroppers and who plan to take part in the program should discuss their individual situations with the County ASC office.

Soil Bank agreements and contracts specify the basis on which tenants and sharecroppers will participate in the payments. These arrangements must be approved by the County ASC Committee as being fair and equitable.

Compliance Checked on Soil Bank Land

Farmers who enter the program agree to allow County ASC Committees to check compliance on their farms. In general, Soil Bank compliance will be checked at the same time as compliance for price support and marketing quotas.

If Agreement or Contract Violated

The Soil Bank benefits the entire agricultural economy. To protect all farmers from improper use of the program by any individual, penalties are provided for violating an agreement or a contract.

Farmers who understand the provisions of their agreements or contracts should have no difficulty with compliance.

In the event of a violation, the nature of the violation determines to a large extent the penalty.

Those who sign Acreage Reserve agreements or Conservation Reserve contracts and who later deliberately graze or harvest a crop in violation of the agreement are subject to a civil penalty and the withholding of the payments which otherwise could be earned. The civil penalty is equal to one-half of the benefits that would have been received for compliance with the agreement or contract.

A Conservation Reserve contract is considered in violation when the acreage in harvested "Soil Bank base crops" exceeds the farm "Soil Bank base" less the acreage in the Conservation Reserve. An explanation of the terms "Soil Bank base crop" and "Soil Bank base" may be found on page 11.

Farmers May Appeal

Farmers may appeal to State ASC Committees and to the Federal Courts the decisions of County ASC Committees regarding agreement and contract violations.

An appeal procedure also is available for farmers who are dissatisfied with the per-acre rates of payment assigned to their farms for corn, cotton, rice, wheat, and tobacco allotment land placed in the Acreage Reserve.

ACREAGE RESERVE PROGRAM—How It Operates

Farmers with acreage allotments for wheat, corn, upland cotton, rice, and most types of tobacco are eligible to take part in the 1957 Acreage Reserve. Producers of winter wheat signed agreements during the fall 1956.

General provisions of the program are similar for all these crops. Specific goals, rates of payment, and final dates for sign-up for 1957 are different, however.

Payments Compensate for Income Loss

In return for taking land out of production and placing it in the Acreage Reserve, farmers will receive payments. The payment is by certificates, which the farmer can handle in the same way as checks. Farmers who receive certificates for putting wheat, corn, and rice land in the Acreage Reserve may redeem them in the commodity for which they received the certificates or in oats, barley, rye, or grain sorghums, if the grains are available from the CCC inventory. In such cases, the certificates will be worth 105 percent of their face value. Thus a corn farmer holding a certificate worth \$800 would receive \$840 worth of corn (or small grains) in exchange for it.

Certificates issued for grains can also be used to repay price support loans on the same grain for which an exchange can be made. The certificates for this purpose are valued at 105 percent of their face value.

The exchange or loan repayment can be made after the time of local harvest of the grain to be received or on which the loan is repaid.

Certificates are negotiable. In other words, farmers may endorse them over to merchants, bankers, and others as payment for goods or services. Anyone holding a certificate may redeem it in cash. But only farmers to whom certificates for grain have been issued will be able to collect grain in exchange for them. This grain is not eligible for price support.

Participation in 1956

Although the Soil Bank program did not become available until late in the 1956 planting season, the first part-year of operation resulted in more than 12.3 million acres in the 1956 Acreage Reserve programs. This participation included:

Corn, 5,450,000 acres; wheat, 5,654,000 acres; cotton, 1,113,000 acres; peanuts, 43,645 acres; rice, 28,003 acres; and tobacco, 31,671 acres.

Winter wheat growers placed about 11 million acres in the 1957 program in the fall of 1956.

Farmers who placed this land in the program already have received more than \$242,190,000 for carrying out their contracts.

Each State Receives Part of Funds

For the 1957 crop year, \$750 million is available to make payments to farmers who put land in the Acreage Reserve. Nationwide Acreage Reserve goals for each eligible commodity have been established. In setting the goals, the Secretary of Agriculture took into consideration the amount of land needed for production of each crop this year.

These are the 1957 Acreage Reserve goals and the funds allocated to enable farmers to reduce crop production:

<u>Commodity</u>	<u>Goal, Acres</u>	<u>Allocated Funds</u>
Wheat	12,000,000 -- 15,000,000	\$267,630,000
Cotton	3,500,000 -- 4,500,000	217,500,000
Corn	4,500,000 -- 5,500,000	217,500,000
Rice	175,000 -- 225,000	14,000,000
Tobacco, all types	125,000 -- 140,000	34,055,000
TOTALS	20,300,000 -- 25,365,000	\$750,685,000

This total of \$750,685,000 is \$685,000 above the \$750,000,000 set by the Soil Bank Law for any one year's operation of the Acreage Reserve program. The excess is to take care of "slippage" -- money that may be committed, but which will not be used because not all agreements will be carried out or qualified for the full commitment.

Each State received an allocation of funds for each eligible crop grown in the State. In making these allocations, the Department of Agriculture considered State acreage allotments, normal yields, and expected participation. A part of an allocation may be transferred from one State to another if it is necessary to gain the desired objectives. The State ASC Committees apportioned funds among the counties.

The Secretary of Agriculture established base unit rates and national average payment rates per acre for each eligible commodity and for some types of tobacco.

Per-Acre Payment Rate for Each Farm

A dollar-and-cents rate per acre will be established for each farm by the County ASC Committee for each allotment crop on that farm. The rates will vary from county averages according to relative productivity and farming methods on individual farms.

Each farmer will be notified of the payment rate for his farm.

The following national yield figures, national "base" unit rates, and national average rates per acre will indicate generally the payment levels for the different crops:

Crop	Unit:	: National Yield: Figures	: National "Base": Unit Rates	: Approx. National : Av. Rate Per Acre
Wheat	bu.:	16.7	: \$1.20	: \$20.04
Cotton (Upland)	lb.:	361	: .15	: 54.15
Corn	bu.:	47.4	: .90	: 42.66
Rice	cwt.:	28.08	: 2.25	: 63.18
Tobacco Types:	:	:	:	:
Flue-cured (11-14)	lb.:	1,419	: .18	: 255.42
Burley (31)	lb.:	1,643	: .18	: 295.74
Maryland (32)	lb.:	869	: .17	: 147.73
Fire-cured (21-23)	lb.:	1,330	: .13	: 172.90
Dark air-cured (35-36)	lb.:	1,460	: .12	: 175.20
Va. sun-cured (37)	lb.:	1,151	: .12	: 138.12
Cigar filler (42-44)	lb.:	1,615	: .09	: 145.35
Cigar binder (51)	lb.:	1,772	: .19	: 336.68
" (52)	lb.:	1,919	: .18	: 345.42
" (54)	lb.:	1,570	: .08	: 125.60
" (55)	lb.:	1,518	: .11	: 166.98
Tobacco Subtotal	lb.:	1,440	: .176	: 253.44

State, county, and farm per acre rates will vary considerably because of differences in land productivity, methods of farming, and other conditions.

Availability of 1957 Agreements

Within the money allocated to each county, the County ASC Committee accepts 1957 agreements from farmers on a "first-come, first-served" basis.

If the county funds are obligated before the end of the sign-up period, the county ASC office keeps a list of farmers who want to take part in the program but whose applications, although filed before the sign-up deadline, were received too late to be included under the initial allotment of funds.

Then, if more funds become available to the county by reallocation of unused funds from other counties or States, agreements are accepted in the order in which applications were received and within the limit of funds then available.

The County ASC Committee can give farmers the final sign-up dates for the crops.

Maximum Acreages Established

Initial limits on the number of acres a farmer may put in the program were established to afford an opportunity for a large number of farmers to participate.

The size of the acreage allotment determines these limits. A farmer cannot place more land in the Acreage Reserve than his acreage allotment. With this exception, the initial upper limits of participation are:

- | | |
|---------------|---|
| Cotton | -- 10 acres or 30 percent of the allotment, whichever is larger. |
| Corn and rice | -- 20 acres or 30 percent of the allotment, whichever is larger. |
| Wheat | -- 50 acres or 50 percent of the allotment, whichever is larger. |
| Tobacco | -- Burley, dark air-cured, fire-cured, and Virginia sun-cured:
1 acre or 30 percent of the allotment, whichever is larger. |
| | -- All other tobacco: 3 acres or 30 percent of the allotment, whichever is larger. |

In some instances, farmers may be able to exceed the initial upper limits for their farms. If the reallocation of unused funds from other counties and States is more than enough to take care of all farmers whose agreements could not be accepted initially, the County ASC Committee may be able to accept extra acreage after the regular sign-up period. When farmers sign their original agreements, they will have an opportunity to indicate the extra acres they would like to put in the reserve.

Acreage Reserve on Farm with Upland Cotton Allotment

Size of farm	150 acres
Acreage allotment (upland cotton)	40 acres
Acreage used for other crops (oats, grain sorghum)	40 acres
Pasture	23 acres
Hay	13 acres
Woodland and farm buildings	34 acres
Land placed in Acreage Reserve (from upland cotton acreage allotment)	12 acres
Per acre rate for farm	\$51.00
1957 ACREAGE RESERVE PAYMENT (\$51.00 x 12 acres)	\$612.00

CONSERVATION RESERVE PROGRAM -- How It Operates

A long-term measure to adjust production and increase the conservation of soil, water, forest and wildlife resources in the Nation -- the Conservation Reserve part of the Soil Bank -- is now available to all farmers. Through this program, farmers can receive substantial Government assistance as they take land out of production to conserve their farm resources and rehabilitate worn-out or eroded land.

Each year \$450 million is available for payments to farmers. Farmers placed 1.3 million acres in the Conservation Reserve under contracts beginning in 1956, although the program did not become available until late in the year.

From Production to Conservation

To participate in the Conservation Reserve, a farmer signs a contract, through his County ASC Committee, with the Department of Agriculture. He agrees to devote a specific tract or tracts of land on his farm to conservation practices. Land regularly used in crop production is eligible. This includes land producing crops that do not require annual tillage, such as tame hay. However, land used only for pasture, land already in the Acreage Reserve, and Federal land is not eligible.

A farmer who signs a contract to participate will maintain protective cover crops or use some other approved conservation practice on tracts of land in the Reserve. This land will be kept out of production for the duration of the contract, as explained on page 11.

A farmer may choose a Conservation Reserve contract of 3, 5, or 10 years for land already in approved cover crops. If vegetative cover is to be established, contracts extend 5 or 10 years, whichever the producer chooses. Contracts for 10 years apply if the land is to be planted in trees. If tree seedlings are not available, the contracts may be extended.

Farm Soil Bank Base

County ASC Committees establish a farm Soil Bank base for each farm in the program. In general, the Soil Bank base is the amount of acreage that normally produces "Soil Bank base crops" such as grain sorghum, wheat, cotton, soybeans, potatoes, and sugar beets.

To establish this base for a farm, the committee determines usual acreage that produced those and other "base crops" for harvest. Abnormal weather or special crop rotation systems may be taken into consideration in establishing a Soil Bank base.

Land on the farm not included in the Soil Bank base is considered to be in conserving and idle uses. Farmers who participate in the Conservation Reserve will agree to keep the same amount of land in idle and conserving uses as in the past, in addition to the acres they place in the Conservation Reserve. They will also reduce acreage used in the production of crops by the amount of acres placed in the program. In short, they will reduce crop acreage below the Soil Bank base.

Here is an example of how the Soil Bank base might apply on a farm with Conservation Reserve land: In 1955 and 1956, the farm operator had 40 acres in corn, 35 acres in small grains, and 20 in wheat. In addition, 55 acres of his land were devoted to pasture and trees. His County Committee established a Soil Bank base for his farm of 95 acres. He wants to place 20 acres in the Conservation Reserve, beginning with 1957. To do so, he must maintain at least 55 acres (equal to land now in pasture and trees) in idle and conserving uses in addition to the 20 acres he puts in the Conservation Reserve. He must also reduce acreage he uses in the production of crops by 20 acres. So he will have only 75 acres in crop production while he participates in the program.

A special provision applies to small farms and larger farms with all eligible land in the Conservation Reserve program. Producers on farms with a Soil Bank base of 30 acres or less may place land in the program without reducing acres in crop production below this base. However, they will receive only 30 percent of the full annual payment rate. This lower rate is called the "non-diversion rate." (See page 13 for a description of "annual payment.")

An operator whose farm has a Soil Bank base of more than 30 acres and who agrees to place all eligible land on his farm in the Conservation Reserve will receive two rates of payment: (1) The full annual payment rate for that part of his Conservation Reserve acreage which is equal to the Soil Bank base for his farm; (2) the lower (30-percent) rate for the remaining Conservation Reserve acreage. Here is an example: A farm has eligible cropland of 150 acres and a Soil Bank base of 90 acres. The operator places all 150 acres in the Conservation Reserve. He receives the full annual payment rate for 90 acres and the lower "non-diversion" payment rate for 60.

Limits on Farm Participation

Minimum limits on the amount of acreage farmers may place in the Conservation Reserve program are: 5 acres if approved cover is on the land or will be established, and 2 acres if trees are to be planted. However, in counties where the tillable land on farms is small, State ASC Committees may approve a lower minimum acreage for the Conservation Reserve. This minimum will be at least 1 acre.

In return for signing a contract and taking part in the program, a farmer receives two payments: The practice or cost-sharing payment helps him establish conservation measures; the annual payment provides income for land taken out of production.

Total annual payment to any farm producer in any year is limited to \$5,000, no matter how many of his farms have Conservation Reserve land. Sometimes, however, the Secretary of Agriculture may increase this top limit. If a farmer wants to put all eligible land on his farm in the Soil Bank, or he needs a higher payment to bring a large amount of eroding land into the program, the limit may be increased.

Practice Payment for Conservation

Farmers may receive up to 80 percent of what it costs them to establish permanent conservation on land placed in the Reserve. State ASC Committees have authority to set a rate of cost-sharing which is less than 80 percent of the cost. County committees may also set rates lower than the maximum approved for the State. A contract will not be made for less than 5 years if the participating farmer receives cost-sharing for establishing a conservation practice.

The following types of conservation practices are eligible for cost-sharing payments:

- Establishing a permanent vegetative cover crop for soil protection.
- Treating farmland to permit the use of legumes and grasses for soil improvement.
- Establishing trees or shrubs.
- Building dams, pits, or ponds to protect cover crops or to store water.
- Protecting wildlife through cover, water, and marsh management, or dam and pond construction.

If the Department of Agriculture or agencies representing it provide materials and services for conservation work on land in the reserve, their cost of these materials or services will be considered part of the cost-share payment. The Department may purchase or produce these materials and services, reimburse Government or private dealers for them, and pay the cost of making them available to farmers.

The Soil Conservation Service has soil capability data and technical skills that can help farmers to select the land on their farms best suited for the Conservation Reserve and to select conservation practices. Farmers can consult with local SCS technicians in planning their Conservation Reserve.

Annual Payment

In addition to the conservation practice payment, a participating farmer also receives a payment each year for the length of his contract to compensate him for loss of income on land taken out of crop and live-stock production. This payment will be based on the amount of acreage he has placed in the reserve and the rate per acre that has been established for land in his county.

The national average per acre rental rate is \$10.00. Average rates for each State have been established, (see page 14), and State ASC Committees are establishing a payment rate per acre for each county. In setting this rate, they consider cash value of land in a particular county, prevailing land rent, and land productivity compared with that of other counties. State committees may establish different payment rates for different land in a county, but these rates have to average out to the county rate. A typical county might have an average annual payment rate of \$9.00 an acre. However, the rate for land within that county might vary from \$6.00 to \$12.00, depending on its value and productivity.

A farmer with land in the Conservation Reserve may receive both cost-sharing and annual payment during the year a conservation practice is carried out. His annual payment continues each year the contract is in force and its conditions are met.

If the Secretary of Agriculture permits grazing on land in the Conservation Reserve because of local disaster conditions, no annual payment will be made for that year to a farmer who grazes livestock.

State Annual Payment Rates Per Acre, Conservation Reserve

<u>State</u>	<u>Regular Rate</u>	<u>State</u>	<u>Regular Rate</u>
Alabama	\$ 8.00	Nebraska	\$ 9.00
Arizona	9.00	Nevada	7.00
Arkansas	9.00	New Hampshire	10.00
California	12.00	New Jersey	13.00
Colorado	8.00	New Mexico	8.00
Connecticut	13.00	New York	11.00
Delaware	12.00	North Carolina	10.00
Florida	8.00	North Dakota	9.00
Georgia	8.00	Ohio	12.00
Idaho	11.00	Oklahoma	9.00
Illinois	12.00	Oregon	12.00
Indiana	12.00	Pennsylvania	11.00
Iowa	12.00	Rhode Island	12.00
Kansas	10.00	South Carolina	9.00
Kentucky	10.00	South Dakota	9.00
Louisiana	10.00	Tennessee	10.00
Maine	9.00	Texas	10.00
Maryland	12.00	Utah	11.00
Massachusetts	13.00	Vermont	10.00
Michigan	11.00	Virginia	10.00
Minnesota	11.00	Washington	13.00
Missouri	9.00	West Virginia	10.00
Mississippi	10.00	Wisconsin	11.00
Montana	9.00	Wyoming	8.00

Long-Term Contracts and Successors in Interest

Because contracts under the Conservation Reserve program are long term, the question of successors in interest is important.

If the contracting owner or tenant operator loses control of the farm for any reason, the new owner or operator may continue the contract. If the new owner or operator does not continue the contract, all cost-sharing payments must be refunded to the Government by the original contract signers.

If a part-owner of a farm under contract sells his interest in a farm, the rights and responsibilities of remaining owners who are co-signers of the Conservation Reserve contract for the farm do not change.

Farm in Southwest:

960 acres	
100 acres placed in Conservation Reserve	
Total cost of establishing grass cover at \$7.00 per acre	\$ 700
Payment to farmer at 80 percent of the cost	560
Annual payment, \$5 per acre	500
Payment to farmer the 1st year, \$560 plus \$500	1,060
Payment in following years for duration of the contract	500

Farm in the Southeast:

120 acre farm	
60 acres placed in Conservation Reserve	
Total cost of establishing 30 acres of grass at \$20	\$ 600
Total cost of establishing 30 acres of trees at \$12	360
Payment to farmer equal to 80 percent of costs	768
Annual payment \$8 per acre	480
Payment 1st year, \$768.00 plus \$480.00	1,248
Payment in following years for duration of the contract	480

THE SOIL BANK AS A NEW FARMING TOOL

In preparing their farming plans, farmers will be taking a close look at the benefits and income possibilities of the Soil Bank -- both the Acreage Reserve and the Conservation Reserve. This new program gives farmers an opportunity to earn substantial payments in exchange for land retirement and conservation work that will actually increase the value of their farm resources. Here is a chance for the entire Nation to make long-needed adjustments in farm production and to build up soil, water, forest, and wildlife resources that have sometimes been misused in the past.

In spite of its broad scope and nationwide importance, the Soil Bank remains a program for the individual farm. Farm operators have the ultimate responsibility for the value of the Soil Bank to themselves and to the Nation.

Farmers who participate in the Acreage Reserve, by diverting allotment acreage of one or more of the basic crops to this program, will:

Earn special payments to protect their current income while land is in this program and out of crop production.

Get the payments for the reserved acres, even if they run into a bad growing season.

Rest the reserved acres, or improve them with cover crops, which may qualify for regular ACP cost-sharing help.

Be in a position to reduce their overall investment in the year's farm operations.

Farmers who place land in the longer-term Conservation Reserve will:

Be helped to shift land from depleting to conserving uses, thus speeding up their conservation work.

Have their land in this program improved by a cover of grasses and legumes, trees, or wildlife protection plantings.

Be able to develop water supply sources for future use, and for wildlife.

Receive up to 80 percent of the cost of establishing approved soil, water, forestry, and wildlife conservation practices on their land in the Conservation Reserve.

Earn annual rental payments for 3, 5, or 10 years under contracts with the United States Department of Agriculture.

Have their income from Conservation Reserve land assured, regardless of weather, crop diseases, or insect pests.

In brief, gain solid benefits for the future, as well as payments while land use changes are being made.

As the Soil Bank achieves the major objective of reducing surpluses, all farmers will benefit through more stabilized markets for their crops.

County ASC Committees help farmers with specific information and interpretations regarding the program. Representatives of all State and Federal agencies welcome requests for information.

Farmers sign up for programs at their ASC county office. Farmers should consult with their ASC Committees before making plans to use the Soil Bank.

